

IRS ISSUES WINTER STATISTICS OF INCOME BULLETIN

Washington -- Preliminary estimates for 1995 reveal that there were more than 4.1 million top wealthholders (with gross assets of \$600,000 or more) in the United States. Their assets totaled \$6.3 trillion, while their net worth amounted to almost \$5.7 trillion. Of the total number, 2.6 million were men and 1.5 million were women. Nearly 1.5 million individuals were millionaires, having a net worth of \$1 million or more. A companion study for 1992 indicates that the 3.7 million top wealthholders in that year comprised 2 percent of the population, yet accounted for 28 percent of total U.S. personal wealth. These facts are included in the article "Personal Wealth, 1992-1995" in the Winter 1997-1998 issue of the quarterly *Statistics of Income Bulletin*, just published.

Some early statistics for Tax Year 1996 show that adjusted gross income (AGI) reported on individual income tax returns filed through April 1997 was just under \$4.0 trillion. According to the article "Individual Income Tax Returns, 1996: Early Tax Estimates," this was 6.6 percent more than 1995. Returns filed through April comprised about 93 percent of the returns expected for 1996. The total tax reported on these returns increased 9.0 percent over 1995 to \$539.0 billion. About 19.1 million taxpayers claimed the "earned income tax credit," 3.7 percent more than 1995. The credit itself increased 13.3 percent to \$28.2 billion.

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In the article "High-Income tax Returns for 1994," statistics required by law on high-income taxpayers show that for 1994 there were 1,109,498 individual income tax returns with an AGI of \$200,000 or more, of which 1,137 reported no U.S. income tax liability. This was before any IRS audit adjustments. Overall, though, a large proportion of high-income taxpayers reported substantial amounts of tax; for example, tax for over 57 percent of these individuals exceeded 25 percent of income. Tax reported for 1994 on high-income returns was \$152.6 billion; the total individual income tax for the year was \$534.9 billion.

Another article, "Projections of Returns To Be Filed In Calendar Years 1998-2004," reports that the total number of all tax returns to be filed in 1998 is expected to reach 223.1 million. This should grow to 239.0 million by 2004. The number of electronically-filed individual income tax returns to be filed in 1998 is estimated at 21.0 million (16.9 percent of the total), growing to 27.5 million in 2004 (20.6 percent of the total).

The Winter *Bulletin* also releases data on the estate returns of 373 nonresident aliens in 1995 and for 495 in 1996, and on the financial transactions during 1994 between large foreign-owned domestic corporations and their related foreign "persons."

The *Bulletin* also reports that there were 1,283 U.S. corporations, 50 partnerships, and 3 individuals in 1995 with operations in countries known to participate in unsanctioned international boycotts. In total, 49 agreed to participate in a boycott and 20 of these were penalized by losing certain tax benefits.

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The *Statistics of Income Bulletin* is available from the Superintendent of Documents, U.S. Government Printing Office, P.O. Box 371954, Pittsburgh, PA 15250-7954. The annual subscription rate is \$29 (\$36.25 foreign); single issues cost \$15 (\$18.75 foreign). For other Statistics of Income (SOI) data, write the Director, Statistics of Income Division CP:R:S:S:P, Internal Revenue Service, P.O. BOX 2608, Washington, DC 20013-2608; dial the SOI electronic bulletin board at (202) 874-9574; check the World Wide Web at <http://www.irs.ustreas.gov>; or telephone the SOI statistical information services office at (202) 874-0410 (or, by e-mail, soi.sis@wpgate.irs.gov; by fax, (202) 875-0964).

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